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Amy Goodman

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Marcy Kaptur of Ohio is the longest-serving Democratic congresswoman in U.S. history. Her district, stretching along the shore of Lake Erie from west of Cleveland to Toledo, faces an epidemic of home foreclosures and 11.5 percent unemployment. That heartland region, the Rust Belt, had its heart torn out by the North American Free Trade Agreement, with shuttered factories and struggling family farms. Kaptur led the fight in Congress against NAFTA. Now, she is recommending a radical foreclosure solution from the floor of the U.S. Congress: "So I say to the American people, you be squatters in your own homes. Don't you leave."

She criticizes the bailout's failure to protect homeowners facing foreclosure. Her advice to "squat" cleverly exploits a legal technicality within the subprime-mortgage crisis. These mortgages were made, then bundled into securities and sold and resold repeatedly, by the very Wall Street banks that are now benefiting from TARP (the Troubled Asset Relief Program). The banks foreclosing on families very often can't locate the actual loan note that binds the homeowner to the bad loan. "Produce the note," Kaptur recommends those facing foreclosure demands of the banks.

"[P]ossession is nine-tenths of the law," Rep. Kaptur told me. "Therefore, stay in your property. Get proper legal representation ... [if] Wall Street cannot produce the deed nor the mortgage audit trail ... you should stay in your home. It is your castle. It's more than a piece of property. ... Most people don't even think about getting representation, because they get a piece of paper from the bank, and they go, 'Oh, it's the bank,' and they become fearful, rather than saying: 'This is contract law. The mortgage is a contract. I am one party. There is another party. What are my legal rights under the law as a property owner?' "If you look at the bad paper, if you look at where there's trouble, 95 to 98 percent of the paper really has moved to five institutions: JPMorgan Chase, Bank of America, Wachovia, Citigroup and HSBC. They have this country held by the neck."

Kaptur recommends calling the local Legal Aid Society, Bar Association or 888-995-4673 for legal assistance.

The onerous duty of physically evicting people and dragging their possessions to the curb typically falls on the local sheriff. Kaptur conditions her squatting advice, saying, "If it's a sheriff's eviction, if it's reached that point, that is almost impossible." Unless the sheriff

refuses to carry out the eviction, as Sheriff Warren C. Evans of Wayne County, Mich., has decided to do. Wayne County, including Detroit, has had more than 46,000 foreclosures in the past two years.

After reviewing TARP, Evans determined that home foreclosures would conflict with TARP's goal of reducing foreclosures, and that he'd be violating the law by denying foreclosed homeowners the chance at potential federal assistance. "I cannot in clear conscience allow one more family to be put out of their home until I am satisfied they have been afforded every option they are entitled to under the law to avoid foreclosure," he said.

Bruce Marks of the Boston-based Neighborhood Assistance Corp. of America is taking the fight to the homes of the banks' CEOs. Last October, as the TARP bailout was shaping up to benefit Wall Street and not Main Street, NACA blockaded the entrance of mortgage giant Fannie Mae until it got a meeting with executives there. Now NACA is working with Fannie Mae to restructure mortgages. Marks is organizing a nationwide, three-day "Predator's Tour," going to the CEOs' homes to demand meetings with them. He told me: "This is what we're going to do with thousands of homeowners, go to their (the CEOs') home and say: 'I want you to meet my family. I want you to see who you're foreclosing on.' ... If they're going to take our homes, we're going to go to their homes, and we're going to tell them, 'No more.'"

Before the inauguration, Larry Summers, the chair of President Obama's National Economic Council, promised congressional Democratic leaders to "implement smart, aggressive policies to reduce the number of preventable foreclosures by helping to reduce mortgage payments for economically stressed but responsible homeowners, while also reforming our bankruptcy laws and strengthening existing housing initiatives."

According to a report by RealtyTrac, "Foreclosure filings were reported on 2.3 million U.S. properties in 2008, an increase of 81 percent from 2007 and up 225 percent from 2006." As the financial crisis deepens, people facing foreclosure should take Kaptur's advice and tell their bankers, "Produce the note."

Copyright Amy Goodman Amy Goodman is the host of "Democracy Now!" a daily international TV/radio news hour airing on more than 700 stations in North America. Denis Moynihan contributed research to this column.